

The Missouri Foundation for Health

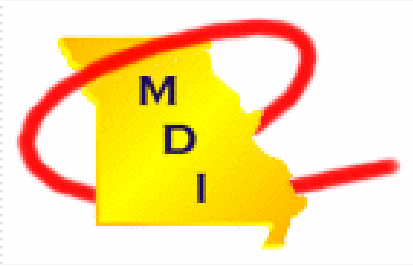


Beginnings

- ❑ In 1994 Blue Cross and Blue Shield of Missouri (BCBSMO) undertook a corporate restructuring
- ❑ BCBSMO placed approximately 80% of its assets in a for-profit subsidiary, RightChoice (RIT)



Beginnings



- ☐ Initially approved by Missouri Insurance Commissioner
 - ☐ Subsequently challenged by the Commissioner and the Attorney General
-

Beginnings

- ☐ Several years of legal maneuvering ended with a settlement agreement
 - ☐ A new foundation was to be established and would receive 80% of the ownership in RightChoice
 - ☐ Met BCBSMO's obligation to assure assets accumulated while a non-profit continued to be used for public benefit
-

Establishment

- ❑ Articles of Incorporation and Bylaws were prepared by the Attorney General in consultation with representatives of several statewide consumer organizations
 - ❑ A Nominating Committee was created and charged with identifying prospective candidates for an MFH Board of Directors.
-

Establishment

- ☐ Board of Directors (15 members)
 - Responsible for governance of the Foundation
 - Major responsibilities
 - ☐ Increase endowment
 - ☐ Distribute funds in support of mission
 - ☐ Community Advisory Committee (13 members)
 - ☐ Successor to the Nominating Committee
 - ☐ Continues to identify nominees for Board vacancies
 - ☐ Advise Board on responsiveness of programs to community needs
-

Establishment

- ❑ The Foundation
 - Independent
 - Nonprofit, public benefit corporation
 - Not a state agency
 - ❑ Initial Assets
 - Foundation received an initial endowment of \$13 million in cash and 15 million shares of RIT, valued at approximately \$400 million
 - ❑ represented 80% of the ownership of a publicly traded corporation
 - ❑ Foundation was constrained in its ability to convert the RIT holdings to cash, being limited to monetizing no more than 20% of its holdings in a given year.
-

Foundation Today

☐ Structure

☐ Assets

☐ Role

About the Foundation

- MFH is *like* other foundations
 - Gives grants
 - Selects specific priorities for grantmaking
 - Monitors effectiveness of programs funded
-

About the Foundation

- MFH is *different from* other foundations
 - Missouri Sunshine Law
 - Focused on community needs
 - Actively seeks community input
-

Missouri Sunshine Law

- ☐ All meetings, including project review, are open to the public
 - ☐ All records of actions of the Foundation are public record
-

Community Input

- ☐ Community Advisory Committee
 - ☐ Community Forums
 - ☐ “Community Voices” on web site
 - ☐ Regional assignments to Program Officers
-

Grantmaking Focus

☐ Core values

- achieve objectively measurable improvements in the health of Missouri's citizens
 - supplement and not supplant the activities of established governmental and non-governmental health care programs.
 - incorporate ongoing community input and collaboration in their definition and implementation
 - incorporate population-based vital statistics and other health indicators relevant to local communities in its strategic decision-making and funding priorities.
-

Grantmaking Focus

- Established at incorporation
 - identify and fill the gaps in the myriad of public and private health care services already available to the uninsured and underinsured in the 84 counties (plus the City of St. Louis) comprising the former service area of Blue Cross and Blue Shield of Missouri (the "Foundation Region");
 - identify and address unmet health care needs in the underserved populations of the Foundation Region as to which the Corporation can have a significant and objectively verifiable impact; and
 - identify and fund health care program opportunities in the Foundation Region that can maximize the limited resources of the Corporation for the greatest possible effect upon the communities it serves.
-

This is not
a part of the
Foundation
region.



Initial Grantmaking

☐ Basic Decisions

■ Health defined broadly

☐ Health represents more than the absence of disease or disability

■ Focus areas influenced by objectively defined problems (MoDHSS), economic environment, community needs

Initial Grantmaking

- Three types were identified
 - Initiative
 - Responsive
 - Special Project
 - Initiative approach was implemented for 2002
 - CVDDPP
 - Services
 - Core
-

Applicant Characteristics

- ☐ Non-profit – (501 c 3)
 - ☐ Governmental entity
 - ☐ Unincorporated entity utilizing fiscal sponsor
-

Grantmaking Amount

☐ Annual disbursement

- Set in Articles as “at least equal to five percent (5%) of aggregate fair market value” of assets
 - In 2002, approved grants at \$9.7M level, an annualized rate approximately 2/3 of the requirement.
 - In 2003, MFH has budgeted \$35.5M for new grants
-

Grantmaking Amount

☐ Per grant disbursement

- Generally limited by policy to \$500K per year for three years, a maximum of \$1.5M per grant
- Average grant for 2002 was \$124,000

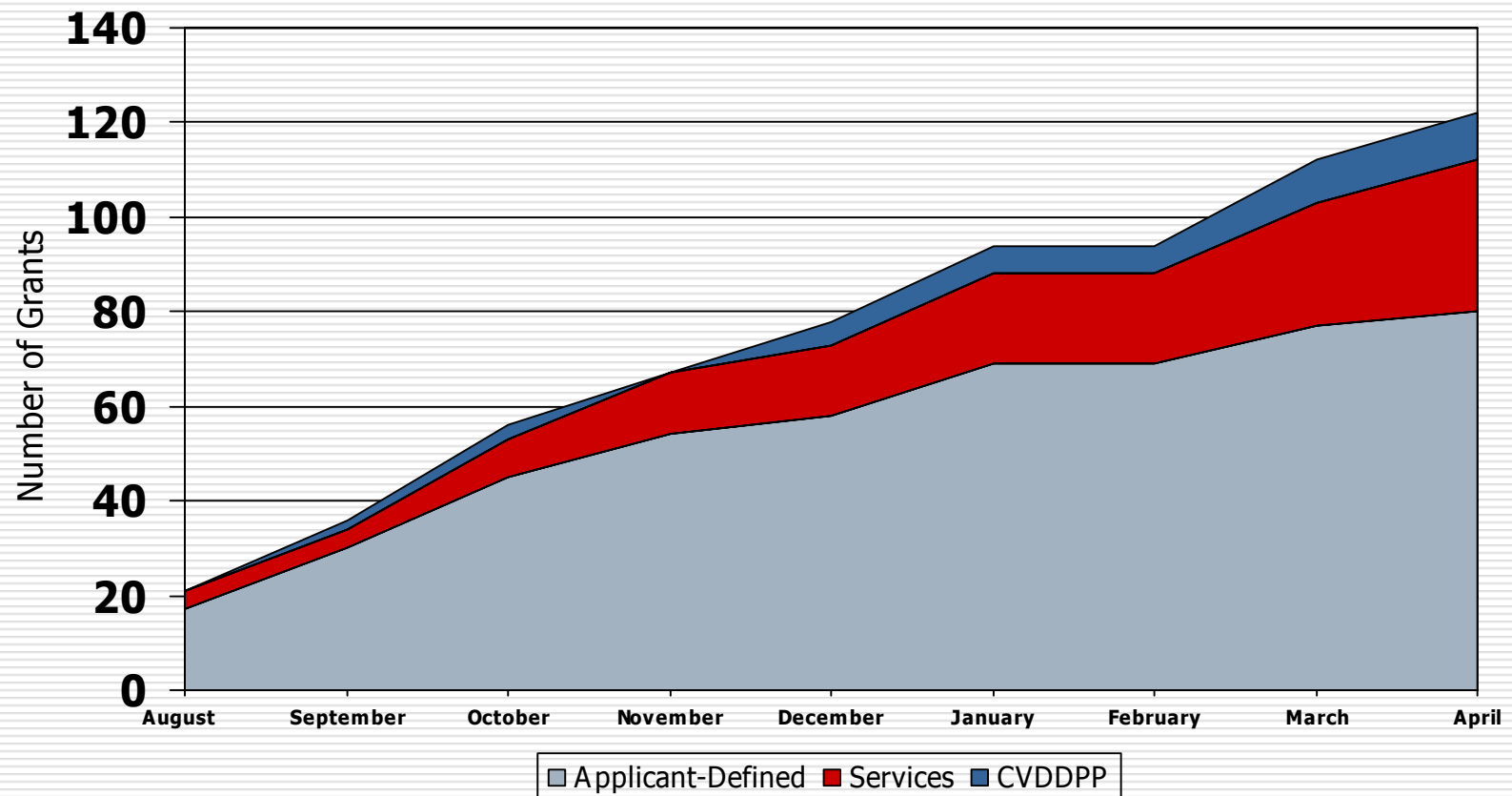
☐ Per institution disbursement

- Limited to total (all grants) of 10 percent (10%) of annual disbursement
-

Grantmaking Structure

- Types of projects
 - Program maintenance
 - Program expansion
 - Program innovation
 - Demonstration
 - Evaluation
 - Advocacy
-

Grantmaking 2002-2003



MFH -2003

- ☐ **What' s new?**
- ☐ **What have we learned?**
- ☐ **What are the challenges?**

Grantmaking - 2003

☐ Types of grants

☒ Applicant-Defined Proposals (ADPs)

- ☐ based on the applicant's determination of a need
- ☐ consistent with the MFH general purposes and areas of special interest

☒ Foundation-Defined Proposals (FDPs)

- ☐ based on a very specific Request for Proposal prepared and distributed by the MFH
- ☐ activity or activities determined by the MFH Board to be of particular importance in its service region.

☐ Focus areas

☐ Review criteria and evaluation process

Grantmaking Mechanism- 2003

☐ Applicant-Defined Proposals

- Preliminary application required for all programs
- Applicants will be notified if application fits MFH criteria and program objectives
- Full proposal is submitted when requested
- Board reviews and approves grants five times per year

☐ Foundation-Defined Proposals

- Specific RFP prepared and circulated by MFH
 - RFP will provide requirements and expectations and a review schedule
 - Preliminary application required
-

Grantmaking - 2003

- Elimination of health disparities
 - striking variations in health status and the burden of disease across racial and ethnic groups in the MFH service region
 - identify and quantify these disparities and present well-conceived plans for their measurable reduction as a result of the activity (ies) proposed.
 - Promotion of improved access to care
 - many barriers to access for residents of the MFH service area
 - include lack of insurance coverage, lack of knowledge of existing sources of support for health care, geographic isolation, poor distribution of primary care providers, lack of cultural sensitivity, and inadequate hours of operation among others
 - reducing or eliminating one of more of these barriers in a community or population
-

Grantmaking - 2003

- Support for disease prevention and health promotion
 - investment in prevention is miniscule when compared to that in medical care
 - apply proven methods for prevention of illness, and particularly chronic illness, in a population
 - may include environmental alteration, education, behavioral change methods and others.
 - Strengthening the health care safety net
 - programs and agencies that comprise the poorly coordinated but critical network of services for those without financial access
 - gaps in this network and the lack of coordination among its constituent parts make it less effective than it could and should be.
 - fill gaps in services such as dental and mental health care and that foster better coordination among service providers within a community in order to better meet the needs of the medically marginalized
-

Grantmaking- 2003

- Enhancing the health of children
 - greatest long term payoff follows from assuring that children are healthy
 - inadequate nutrition, environmental exposures and poor health care in childhood affects educational performance, socialization, and productivity
 - meet the health needs of children in the area, particularly in the school and community settings
-

Capacity Building - 2003

- Build the capacity of communities and their organizations to deal with health needs
 - capacity building through educational and technical assistance activities
 - appropriate and needed investment in long term improvement of the health of residents of the services region
 - training in problem assessment, program development and management of agency activities
 - direct technical assistance to individual agencies concerning development and implementation of health programs.
-

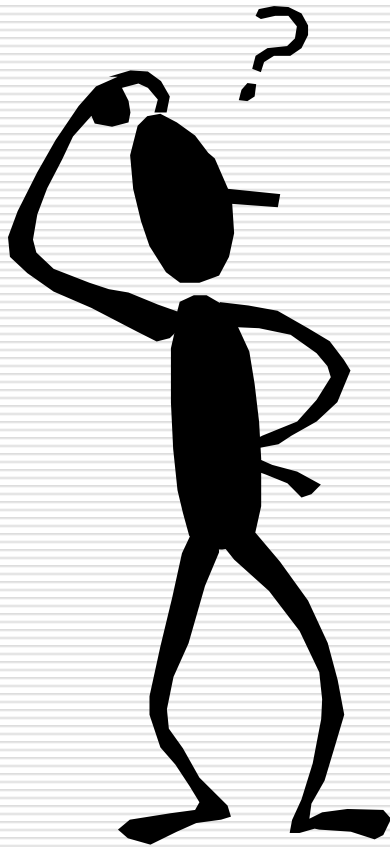
Policy - 2003

- ❑ Shape health policies at the local, state and national levels
 - grants can improve the health situation for communities and individuals in the region
 - real change requires improvement in public understanding of health issues and in the policies pursued by both public and private entities involved in supporting health services and programs.
 - identifying, clarifying and quantifying the effects of policies on the residents of its region
 - actively promoting changes that will improve the health of the residents of the region.
-

Contracting - 2003

- Uses in support of MFH goals
 - Policy studies
 - Program evaluation
 - Technical assistance
 - Publication development
 - Surveys and community assessments
-

The Challenge



Realities 2003

- Demand for support far exceeds resources
 - MFH grants represent less than 2/10 of one percent of Missouri health expenditures
 - Federal and State retreat from responsibilities for critical health and mental health programs complicates MFH grantmaking
-

Realities 2003

- ❑ While the market languishes, the MFH Board is squeezed between its dual responsibilities—build the endowment and distribute grants equal to at least 5% of the value of that endowment
 - ❑ Deciding among many worthy proposals for support from a limited pool becomes more difficult
 - ❑ Leverage, synergies and sustainability become increasingly important to MFH decision-making
-

Focus areas of all Mental Health projects received by Foundation

- ☐ Elderly Services
 - ☐ School-based
 - ☐ Integration of mental health services with primary care
 - ☐ Non-DMH priority areas
 - ☐ Adolescents
 - ☐ Staffing
-

Mental Health Funded projects 2002- 2003

- Prevention & Education – (\$786,944)
 - Technology – (\$822, 045)
 - Direct Services – (\$1,578,970)
 - Infrastructure – (\$557,800)
-

Agencies Funded by MFH “Prevention & Education”

- ☐ Comtrea
 - ☐ Behavioral Health Response
 - ☐ Kids Under Twenty One
 - ☐ SIDS
 - ☐ Life Crisis Services
 - ☐ NAMI
-

Agencies Funded by MFH “Technology Improvements”

- ☐ Independence Center
 - ☐ Family Mental Health Center
 - ☐ Burrell Behavioral Health
 - ☐ Hopewell Center
-

Agencies Funded by MFH “Direct Services”

- ☐ Independence Center
 - ☐ Places for People
 - ☐ Mark Twain Association for MH, Inc.
 - ☐ Preferred Family Healthcare
 - ☐ Hopewell Center
 - ☐ Independence Center
-

Agencies Funded by MFH

“Facility Improvements & Infrastructure”

- ❑ Comtrea
 - ❑ BJC Behavioral Health Southeast Div.
 - ❑ Places for People
-

Assessing Mental Health needs

- ☐ Regional assessments via staff
 - ☐ Broad-based focus groups
 - ☐ Monitoring of funding environment & budgetary impact
 - ☐ Expanding general knowledge base of MFH decision makers
 - ☐ Evaluation mechanisms
-



Grand Central Building, Suite 400
1000 St. Louis Union Station
St. Louis, MO 63103

314.345.5500
Toll free 800.655.5560
info@mffh.org
www.mffh.org
